Evasion of sales tax on HSD

95. SHRI KRISHNA KUMAR BIRLA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the CBI has recently unearthed a scandal involving nearly rupees 100 crores sales tax evasion on High Speed Diesel in some States, as reported in the Hindustan Times, dated 16th June, 2000;

(b) if so, whether there is a nexus between official of oil companies and the persons to whom HSD quota is released;

(c) if so, the details of the *modus operandi* of such scandal; and

(d) the action Government propose to take against the officials of the oil companies and to check such scandals?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) to (d) Some customers who were obtaining petroleum products on concessional sales tax basis are alleged to have been diverting these products for the purposes other than the intended use thereby evading sales tax. Central Bureau of Investigation (CBI) has registered a case in the matter on 23rd May, 2000 at Gandhinagar, Gujarat.

Growing oil pool deficit

96. SHRI RAMDAS AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether India's oil pool deficit is growing at the rate of Rs. 500 crore per month and it is likely to hit Rs. 7,600 crore by the end of July this year;

(b) whether if it is a fact that the light of present international prices of crude oil which may be at $25 per barrel or so, India's oil import bill is likely to be in the region of Rs. 57,000 crore; and

(c) if so, what steps Government propose to take to reduce the oil import bill as well as not to increase further price of petroleum products?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) The cumulative outstanding claims of oil companies from the oil pool account stood at about Rs. 6,000 crores as on 31.3.2000 (provisional).

(b) The total import bill as per original estimate for 2000-01 is estimated to be Rs. 58,368 crores which is based on average price of $ 20/bbl of crude oil and corresponding product price.

(c) With a view to contain the deficit in the oil pool account, the Government have taken a number of measures such as moving product prices towards import parity and gradual phasing out of subsidy on petroleum products.

Supply of subsidised LPG cylinders to consumers

97. SHRI C.M. IBRAHIM: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) how far the LPG (domestic) cylinders supplied to consumers by public sector oil companies are still subsidized, indicating the details of the pricing structure thereof the cost of production, bottling, transport and distribution;

(b) how the subsidy is distributed and utilized amongst producers and distributors; and

(c) how this price structure is linked with international prices?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) and (b) The current estimated subsidy on LPG (Domestic) cylinders supplied by Public Sector oil companies is about Rs. 125 per cylinder.

The production cost of petroleum products for a company includes cost of crude oil, processing charges, marketing cost, filling charges, freight, distributors commission, taxes, other levies etc.

The oil companies are paid import parity price for LPG uplifted in bulk, which for the month of July 2000 has been provisionally fixed at Rs. 14297.98/ metric tonne.

(c) The current ex-storage point price is not directly linked to the international prices. However, the Government in 1997 had decided that subsidy on LPG (domestic) will be reduced in phases to reach the level of 15% of the import parity price by 2000-01.

LPG agencies in Assam

98. SHRI PRAKANTA WARISA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state: